

# NOTICE OF INTENT

## Department of Agriculture and Forestry Forestry Commission

## Department of Revenue and Taxation Tax Commission

### Timber Stumpage Values (LAC 7:XXXIX.20101)

In accordance with provisions of the Administrative Procedure Act, R. S. 49:950 et seq., the Department of Agriculture and Forestry, Forestry Commission, and the Department of Revenue and Taxation, Tax Commission propose to amend rules regarding the value of timber stumpage for calendar year 1996. These rules comply with and are enabled by LSA - R.S. 47:633.

#### Title 7

#### AGRICULTURE AND ANIMALS

#### Part XXXIX. Forestry

#### Chapter 201. Timber Stumpage

#### §20101. Stumpage Values

The Louisiana Forestry Commission, and the Louisiana Tax Commission, as required by R.S. 47:633, adopted the following timber stumpage values based on current average stumpage market values to be used for severance tax computations for 1996:

1. Pine trees and timber	\$ 361.36/MBF	\$ 45.17/ton
2. Hardwood trees and timber	\$ 195.51/MBF	\$ 20.58/ton
3. Pine Chip and Saw	\$ 82.10/cord	\$ 30.41/ton
4. Pine pulpwood	\$ 23.84/cord	\$ 8.83/ton
5. Hardwood pulpwood	\$ 12.63/cord	\$ 4.43/ton

AUTHORITY NOTE: Promulgated in accordance with R.S. 3:3.

HISTORICAL NOTE: Promulgated by the Department of Natural Resources, Office of Forestry and the Louisiana Forestry Commission, LR 4:9 (January 1978), amended LR 5:7 (January 1979), LR 6:728 (December 1980), LR 7:627 (December 1981), LR 8:651 (December 1982), LR 9:848 (December 1983), LR 10:1038 (December 1984), LR 11:1178 (December 1985), amended by the Department of Agriculture and Forestry, Office of Forestry, and the Louisiana Forestry Commission, LR 12:819 (December 1986), LR 13:432 (August 1987), LR 14:9 (January 1988), LR 15:5 (January 1989), LR 16:16 (January 1990), LR 17:476 (May 1991), LR 18:6 (January 1992), LR 19:611 (May 1993), LR 20:408 (April 1994), LR 21:930 (September 1995), LR 21:1069 (October 1995), amended by the Louisiana Forestry Commission and Louisiana Tax Commission, LR 22:

Interested persons may submit written comments to Don Feduccia, Office of Forestry, Box 1628, Baton Rouge, LA 70821-1628. Written comments will be accepted through the close of business on March 29, 1996.

No preamble regarding this proposed amendment is available.

Bill Weaver, Chairman  
Forestry Commission

Malcolm Price, Chairman  
Tax Commission

#### FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

#### RULE TITLE: Timber Stumpage Values

#### I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no additional implementation costs or savings to state or local governments required the implementation of this action.

#### II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

Since this action adjusts the average stumpage value upward for timber harvested, the severance tax revenue received by the state and local governmental will increase if 1996 timber production levels equal 1994 production. State revenue would increase by \$282,486 and local government revenues would increase by \$847,457 during fiscal year 95-96, and again in fiscal year 96-97.

#### III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

Although the total tax paid by timber sellers and reported and remitted by wood-using industries will increase as a result of this action, the prevailing severance tax rate for timber harvesting remains constant by statute. No increases in paperwork or procedures will result from this action.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This action is taken on an annual basis and should have negligible effect on competition or employment. The increased tax revenue that will result from the increase in average stumpage prices set by this action may have a positive effect on parish and state government.

Richard Allen  
Assistant Commissioner  
9602#010

Richard W. England  
Assistant to the Legislative  
Fiscal Officer